

Monthly Progress Report #7

For Montana Project #8191

Research in Support of Container/Trailer on Flatcar in Intermodal Service on Montana's Class 1 Railroads RFP# 308128 RP

Reporting Period: December 1, 2008 – December 31, 2007

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Submitted to:

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Task 0: Project Management

The Kick-off meeting for the project was held on June 13, 2007. This task has been completed.

Task 1: Literature Review and Original Research (3.2.1.1)

Additional data sources were identified to provide comparative estimates for export trade volumes. Two maps have been created to show the freight flows for agricultural and wood products. Two more maps for manufactured and mining products are underway.

Action Items for Next Month:

- Tabulate export product volumes by region for last two segments.

Task 2: Identification of Users by Geographic Region (3.2.1.1.1)

Due to the poor electronic survey response, users in Montana and Alberta were identified for a paper survey. In November Montana users were contacted about interest in completing a survey, the initial list was enriched with contacts. A total of 546 companies (some with various locations) were identified. Phone calls were made to alert recipients that surveys were going to be mailed. The deadline for domestic response to these surveys was set for January 4, 2008. To date 9 printed surveys have been returned. An electronic survey option was also identified in the cover letter. No electronic surveys were posted by this group of recipients.

Canadian users were considered. An option using Calgary Intermodal terminals was suggested, potentially using a staging area (paper ramp) in Montana was explored. Alternately Canadians were asked about their interest in a US facility on BNSF. The original survey was modified to reflect Canadian users terminology and geography. A list of 134 Canadian companies was used for a second mailing. These responses have been requested by January 18, 2008. As of the first week in January, Canadian users have not received these paper surveys. A pilot survey was discussed with a few Canadians to help gain an understanding of issues Canadians would have with either option.

Action Items for Next Month:

- Review survey response.

Task 3: A Terminal Profile (3.2.1.1.2)

This task was begun by looking at initial responses and identifying the profile of the terminals which originally existed in Montana. Analysis of Canadian catchment areas for BNSF or Canadian railroads was identified.

Action Items for Next .

- Review terminal needs as identified by users.

Task 4: Develop Montana Shipper Cost Model ((3.2.1.1.3)

A matrix of truck costs from terminal areas to various export ports was developed.

Action Items for Next Month:

- Continue effort to determine truck costs by lane.

Task 5: Document Current Intermodal Activities (3.2.1.1.4)

Continued calling West Coast Ports and container operators about interest in export operations. Identified a potential intermodal lift unit available in Lethbridge, AB.

Action Items for Next Month:

- Review survey responses for this activity area.

Task 6: Exploration of Railroad Incentives (3.2.1.1.5)

Continued documentation of public private intermodal terminal development efforts nationally.

Action Items for Next Month:

- Develop overview documentation of inland port funding strategies.

Task 7: Intermodal Service Recommendation (3.2.1.2)

Analyzing and assessing potential service recommendation strategies.

Final report and Project Summary Report to be completed by March 1, 2008

Summary of Expenditures

Table 1 summarizes the project costs through December 2007. December 2007 cost activities amounted to \$1,811.36 leaving \$12,718.94 for the remainder of the project.

TABLE 1. Summary of Expenditures (June 1, 2007 – December 31, 2007)

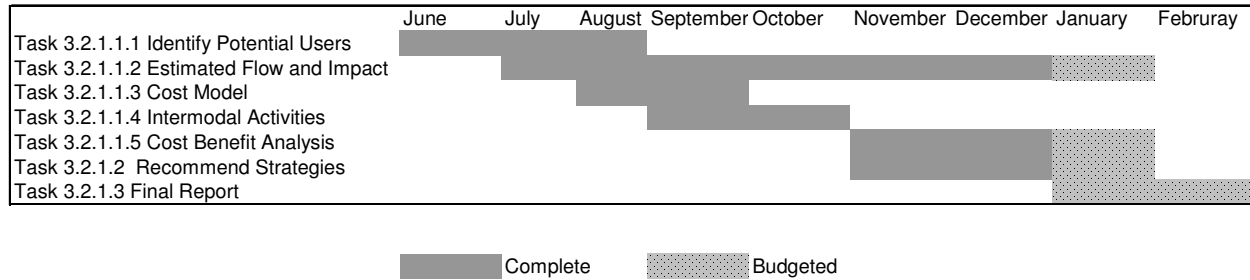
Budget Category	Budgeted Funds	Spent This Period	Total Spent	Total Remaining
Labor	\$29,428.25	\$450.00	\$28,860.00	\$568.25
Subcontract (Direct and Indirect Costs)	\$19,387.50	\$792.00	\$10,890.00	\$8,497.50
Travel	\$4,800.00	0	\$3,535.06	\$1,264.94
Operatons/Commun ication*	\$1,000.00	\$119.36	\$1,000.00	\$0.00
Indirect	\$29,428.25	\$450.00	\$27,040.00	\$2,388.25
Total	\$84,044.00	\$1,811.36	\$71,325.06	\$12,718.94

* spent \$146.51 yet only had \$119.36 remaining in the budget can only bill \$119.

Project Schedule Summary

A summary of the project status is shown in Figure 1. The project has been underway for seven months. An extension was granted to increase the survey effort.

FIGURE 1: Project Schedule with Completed Work



Hours Spent in December by Task Break Down

December Hours By Task	PI Ogard Hours	WTI Stephens Hours	WTI Cole Hours
Task 3.2.1 Kick Off Meeting			
Task 3.2.1.1 Literature Review/Research			
Task 3.2.1.1.1 Identify Potential Users			
Task 3.2.1.1.2 Terminal Profile	3	4	6
Task 3.2.1.1.3 Cost Model			
Task 3.2.1.1.4 Intermodal Activities			
Task 3.2.1.1.5 Cost Benefit Analysis			
Task 3.2.1.2 Recommend Strategies			
December	3	4	6